

REMARKS

Claims 21-35 have been canceled. Claims 1-20 are now pending in this application. Reconsideration of the application is earnestly requested.

Applicant respectfully submits that the above amendments to the claims address the Examiner's objections under section 112.

The Examiner has rejected claims 1-35 under section 103 as being unpatentable over *Tushie et al. (Tushie)* in view of *Morris*. Although the Examiner's arguments have been carefully considered, Applicant respectfully traverses these rejections as explained below.

The Present Invention

As pointed out in the background of the invention, the chip card personalization process is currently quite complex. There may be over forty chip data elements that need to be incorporated into the card personalization process. Also, the interdependency of the data elements make the process of defining these elements more complex. In the prior art, programmers needed to know complex details in order to manually create a data preparation table of values (i.e., a personalization data file) that would be used to personalize the card with various options that a card issuer desired. Because this was a manual process it was error-prone. The present invention addresses these problems by providing a technique of automating the personalization of a batch of smart cards.

A technique is provided that assists a user with deciding which particular *smart card features* should be programmed into a batch of smart cards. In the early years of smart card personalization (such as that described by *Tushie* below) the process was far simpler as typically there was a single application to be programmed onto the card and a set of cardholder data to be programmed. At the time of the present invention, however, due to domestic and regional market needs, increased fraud protection, risk management, other business decisions, etc., an issuer has a large number of smart card features that need to be programmed onto the card. In the early years the option of including these features did not exist and therefore no systems provided the capability to personalize these features.

The present Specification provides clear examples of what is meant by the term "smart card features" as used in the claims. Beginning at page 18, for example, smart card features

include: *account data* (e.g., where a card may be used, a default application, foreign language support, application priority, and card expiration risk management); *off-line authorization control* (e.g., risk management, amount limits, velocity checking, and card effective date decisions); *card verification methods* (e.g., types of methods and international applicability); *risk management decisions* (e.g., action taken if verification not successful); *data authentication* (e.g., static or dynamic and risk management decisions); *card authentication options* (e.g., cryptogram used); *issuer authentication options* (e.g., optional or mandatory); *issuer script risk management decisions*; and *low value payments* (e.g., how implemented).

Thus, "smart card features" as used in the claims are not simply cardholder data (such as a cardholder's name or account number), and are not personalization equipment commands. Rather, "smart card features" are high-level smart card management instructions dictated by the smart card issuer that tell a smart card how it should behave in numerous situations such as authorization, cardholder verification, ATM usage, fraud detection, payments, etc.

The Cited Art Distinguished

Tushie, by contrast, does not disclose personalizing smart cards with "smart card features" as required above, mainly because at the time of the invention of *Tushie*, there were no complex smart card features that needed to be added to smart cards. Throughout the disclosure of *Tushie*, there is no mention of the required smart card features, only data formats, card software applications, operating system commands, cardholder data and personalization equipment commands (see Abstract).

For example, Figure 1B only shows that cardholder data 152 are fed into the smart card personalization system. Figure 8 discloses that data templates, equipment characteristics, operating system commands, and cardholder data are acquired. Further, Figure 13 discloses card application data such as files, various fields, and the name of the software application. But, these are not smart card features as required by the claims that are high-level card management instructions.

Other portions of the specification of *Tushie* also do not disclose the required smart card features. Column 1 at lines 54-58 disclose that the personalization information used is simply the cardholder's name, account number, expiration date and a photograph. Column 2 at lines 38-67 disclose that the database of the personalization system includes application data, template data, operating system data, and personalization equipment data; none of these are high-level

smart card management instructions. Column 3 at lines 35-62 also disclose similar types of data. Column 4 at lines 8-10 disclose that a data format element is simply a template for the personalization data. Column 4 at lines 44-47 disclose that the information transferred to a smart card is cardholder data and smart card software applications. Column 6 at lines 29-33 disclose that the personalization information is simply traditional cardholder data. Column 6 at lines 40-63 disclose that the smart card personalization system transfers data to personalization equipment that include data for cards and card operating systems, card applications and personalization equipment. Column 7 at lines 40-48 disclose the various types of cardholder data that are transferred.

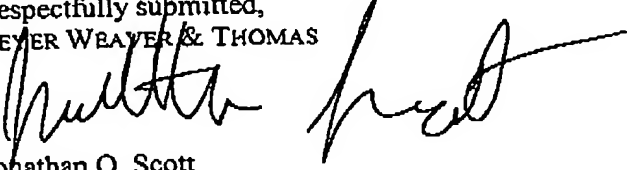
Independent claims 1 and 11 of the present application require a "member profile having default values for smart card features," "queries regarding said smart card features," and "output data values of said personalization data file used to provide said smart card features." As explained above, the smart card features are high-level smart card management instructions that allow a smart card to operate in any environment as if the issuer were exerting direct control. *Tushie* only discloses traditional cardholder data, data templates, personalization equipment commands and characteristics, and software application data that are transferred to a smart card. *Tushie* does not disclose the required smart card features because at the time of the invention of *Tushie*, the state of the art of smart card personalization had not advanced to the point where it was necessary to personalize a smart card with a complex variety of high-level smart card management features.

The Office Action relies upon column 6, lines 40-46 as disclosing a system that receives smart card feature information. But, as previously explained, the smart card personalization system 100 is receiving data such as cardholder data, data templates, personalization equipment commands, et cetera. This low-level type of data is not the high-level smart card management instructions that are the required smart card features of the independent claims.

Further, because *Tushie* does not contemplate high-level management instructions being needed for personalization, there is no disclosure of a user receiving queries regarding which smart card features to implement, nor disclosure of a user providing answers to those queries regarding which smart card features to implement.

Reconsideration of this application and issuance of a Notice of Allowance at an early date are respectfully requested. If the Examiner believes a telephone conference would in any way expedite prosecution, please do not hesitate to telephone the undersigned at (612) 252-3330.

Respectfully submitted,
BEYER WEAVER & THOMAS



Jonathan O. Scott
Registration No. 39,364

BEYER WEAVER & THOMAS, LLP
P.O. Box 778
Berkeley, CA 94704-0778

Telephone: (612) 252-3330
Facsimile: (612) 825-6304